The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor, comprising the industrial, legislative, and political fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE

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REGISTER! VOTE! ELECT A BETTER CONGRESS!

WHOLE NO. 1848 | WILLIAM GREEN, President | WASHINGTON, D. C., TUESDAY, SEPTEMBER 10, 1946 | GEORGE MEANY, Secretary-Treasurer | VOL. 36, NO. 37

LABOR, USA

Washington, D. C.—The tenth edition of the American Federationist of the Air, broadcast on the "Labor, USA" program over the American Broadcasting Company network, included the following outstanding feature articles to supplement the news:

The Other Side of the Ship Strike

By NELSON CRUIKSHANK
Social Insurance Director of the AFL

One of the strangest situations in the history of labor relations has forced the shipping strike which is now tying up all American ports.

There is no dispute between labor and management involved in this strike. On the contrary, the shipowners and the Seafarers International Union of the American Federation of Labor reached a satisfactory agreement through voluntary collective bargaining. Both sides are anxious to carry out this agreement. But the Government—or to be more accurate, one agency of the Government—has stopped them.

This is the worst case of bureaucratic meddling and unintelligent Federal interference on record. It is also a dangerous example of political pressures dictating Government decisions. Here are the facts:

A few months ago the Maritime unions of the CIO threatened a strike for higher wages. The Government called them into Washington for a conference with the shipowners. A wage settlement was reached between the owners and the strike was averted.

At that time the Secretary of Labor urged President Harry Lundeberg, of the AFL Seafarers Union to join the conference. He declined, preferring to meet with the shipowners and settle joint problems through free collective bargaining. By this process the union was successful in negotiating wage increases higher than those obtained by the CIO unions.

The contract was submitted to the War Shipping Administration, which operates merchant ships for the Government and approved by it, too. However, Federal regulations require this agency to submit wage questions to the Wage Stabilization Board for a final okay. It did so. The union and management joined in this request to the Wage Stabilization Board. But the Board rejected the agreement. The public and industry members voted against approval of the labor members dissenting.

In explanation, the Government agency told the Seafarers' International Union that it would refuse to approve wage increases higher than those obtained by the CIO. The difference amounted to $5 a month for sailors on the West Coast and $10 a month on the East Coast.

The Wage Stabilization Board will never convince organized labor or the American people that any tribunal which is composed of labor and can make trivial amount for workers who are not and never have been highly paid. Nor will it make the American people believe that they can afford to get through the paralysis of commerce of the entire nation because of a donkey-minded Board's stupid decision.

The Seafarers' International Union and its members know that their cause is just and they intend to remain out on strike until the Wage Stabilization Board reconsiders its decision. They can be assured of the full support of the American Federation of Labor.

The Veterans Demand Action

By BORIS SHISHKIN
Secretary of the AFL Housing Committee

All over the country, people are getting more and more impatient over the fact that they can't find a decent place to live. This is especially true of the veterans who came back from the war eager to settle down in civilian life but are still unable to beg, borrow, rent or buy a home.

Their frustration crystallized at the national convention of the Veterans of Foreign Wars in Boston, where 14,000 aroused delegates overrode a noncommittal resolution on housing and overwhelmingly endorsed the Wagner-Ellender-Taft (WET) Bill.

This action was voted only a few hours after President William Green of the American Federation of Labor told the delegates that construction is bound to lag far behind the demand for new homes until the Wagner-Ellender-Taft Bill is adopted by Congress.

He pointed out that this is the only legislative proposal that provides for large-scale housing projects which can be started at once and completed soon afterward. Under the bill, the construction industry will again be able to undertake the building of rental projects now being undertaken only by speculative builders, even though it is most urgently needed. Finally, the Wagner-Ellender-Taft Bill will centralize all Federal authority over housing in one, single agency and end once and for all the existing surplus of bureaucratic confusion which has all of us hopping.

The vote of the Veterans of Foreign Wars on this issue was indicative of the grass-roots revolt throughout the country against housing as a political issue, even went so far as to demand that President Truman call a special session of Congress to complete action on the Wagner-Ellender-Taft Bill, which was approved by the Senate last summer but killed by powerful lobbying interests in the House.

Unfortunately, the President said at a press conference later that he did not intend to call such a special session because he thought members of Congress should be permitted to conduct their campaigns for reelection without interference.

But if any Congressman thinks he can evade this issue during the campaign, he will find himself painfully mistaken. The American Federation of Labor is polling each candidate for Congress on his position on this issue. The American people have a right to know where the candidates stand—be Wagner-Ellender-Taft Bill before they vote in November. And it should be obvious by now that American workers are not going to support those who favor this vital legislation.

Another important decision coming this week when the United States Emergency Court of Appeals flatly and unanimously rejected the demands of New York landlords for higher rents.

The landlords claimed that with labor getting up, continued application of strict rent controls would prove ruinous to them. In fact, while the court case was pending, real estate boards in many cities organized a campaign to force the OPA to allow landlords a general 10 percent rent increase.

But the Court looked into the facts carefully and it found that landlords are making greater profits under rent ceilings today than they did when there were no restrictions before the war—in spite of undeniably higher operating costs.

This is true primarily because all rental housing is now filled to the rafters. The normal loss that the landlords were once forced to take on vacant apartments has disappeared. Besides, property owners are no longer providing repairs and services to tenants which they used to, nor are they giving tenants the kind of services they did before the war.

The effect of the court's decision is to prevent a breakthrough in rent ceilings, which is good news to all tenants.

Mine Operators Pay 2½ Millions Into UMW Welfare-Pension Fund

Washington, D. C.—The welfare and retirement fund, provided under the bituminous wage agreements signed by the United Mine Workers (AFL) on May 29, already has accumulated $2,500,000, Admiral Ross T. Morcell, Federal coal mines administrator, announced here.

The sum is the total for the first payment, on August 15, by coal producers, of a contribution of 5 cents on each ton of their output between July 1 and July 15. The next payment is due September 15, and thereafter payments will be made on a monthly basis.

The bituminous coal mines have been in Government possession since May 22, when wage negotiations collapsed. In a presidential proclamation, Admiral W. J. Carter, Navy paymaster general and custodian of the fund, requested satisfactory progress in collecting the fund levy.

Admiral Carter will handle the fund until three trustees are appointed under the terms of the agreement worked out by Secretary of the Interior J. A. Krug and John L. Lewis, United Mine Workers' chief.

The fund is to be used for payments to miners and their dependents or survivors for temporary or permanent disabilities or death and for retirement and other welfare purposes. The payments are intended to make up for lack of or insufficient compensation under Federal and State laws.

No expenditures will be made from the fund until the three trustees have been appointed and an operating basis has been made.

Besides the agreement, Admiral Morcell and Mr. Lewis will each name a trustee; then these two trustees will select the third member.

Meanwhile, the UMW negotiating committee opened conferences here with operators representing the first such sessions since the Government seized the mines. The conferences were called by Admiral Morcell.

There seemed little doubt that Mr. Lewis' minimum terms are those contained in the disagreement of coal.

These called for an hourly pay increase of 18½ cents for the 400,000 coal miners; portal-to-portal pay; portal-to-portal pay; portal-to-portal pay

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AMERICAN FEDERATION OF LABOR
WEEKLY NEWS SERVICE
SUPPLEMENT

REGISTER! VOTE! ELECT A BETTER CONGRESS!

WILLIAM GREEN, President — WASHINGTON, D. C., FRIDAY, SEPTEMBER 13, 1946 — GEORGE MEANY, Secretary-Treasurer

Southern AFL Unions Score Gains In Pay, Hours and Work Conditions

Washington, D. C.—Widespread gains in wages, hours and improved working conditions granted to AFL unions throughout the South are reported by George L. Google, director of the AFL Southern campaign to enroll 1,000,000 new members.

Reports pouring into the office in Atlanta, Ga., Google said, show AFL unions throughout the entire area have been negotiating improved contracts for higher pay, shorter hours and other benefits, and in the vast majority of cases, without resort to governmental agencies.

At the same time the Teamsters reported a new agreement between the Houston Building and Construction Trades Council and the Associated General Contractors providing a closed shop in 90 days. In Chattanooga, Tenn., the Parks and Playgrounds Department granted the Truck Drivers' local a substantial wage increase, and in the same city the Truck Drivers' and Helpers' local in the Sears Roebuck unit won an NRLB election to become the bargaining agency for Sears' shipping department workers, truck drivers, warehousemen and helpers.

From Dallas came word that the Southern Pacific has signed a new agreement with the Teamsters providing a wage increase of 10 cents an hour and new classifications of workers not heretofore covered. Beneficiaries of the new agreement include 745 Dallas, 47 in Fort Worth, 309 in Beaumont, 652 in Corpus Christi, 657 in San Antonio, 968 in Houston, 546 in Galveston and 941 in El Paso.

Highlights of Mr. Google's report included the following:

Coke plant of Sharon Steel Co., Fairmont, W. Va., has enlisted District 50, United Mine Workers, as bargaining agent in an NLRB election. District 50 also has won two Florida NLRB elections, covering employes in South Co. and Merchants Ice & Fuel Co., both in Pensacola.

District 50 won $60,000 in annual increased wages in contract with Baruim Reduction Co., South Charleston, W. Va.

Chattanooga Drivers of Street and Electric Amalgamated (AFL), won a new contract providing 30-cent hourly boost, improved vacation schedule and other benefits.

AFL bus drivers in Mobile obtained, by arbitration, a $50,000 back pay award averaging $200 for each worker.

AFL dry cleaners in Birmingham, Ala., won an election at the Utopia Cleaning Co. by a wide majority. This is the largest pressing plant in Birmingham and the smaller shops are expected to follow Utopia workers.

After a whirlwind campaign, workers at Southern Dairies in Atlanta came under the AFL Teamsters' banner. Wage increases are from $4 to $12 a week, hours are reduced from 66 to 54, overtime after 40 hours and paid two-week vacations are provided after one year's service.

Frey Charges Certain U. S. Agencies With Discrimination Against AFL

Atlantic City.—Addressing the annual convention of the United Association of Journeymen Plumbers and Steamfitters, John P. Frey, president of the AFL Metal Trades Department, delivered a ringing attack on federal agencies using discretionary powers to discriminate against the AFL.

Certain agencies are operating in such fashion that the public no longer can exercise control over them, he said. He cited the National Labor Relations Board as one office operating in a manner harmful to the AFL and "in obvious sympathy" with other labor groups.

NLRB Chairman Paul M. Herzog told the delegates there has been an enormous increase in the number of cases placed before the board, and asked for patience until they can be cleared. He said that in the first six months of this year the number of cases before the board rose from 4,900 to 7,400, and cited the $500,000 cut in appropriation forcing a reduction in staff.

Edward J. Hillock, secretary-treasurer, announced that total membership in the United States Association of Journeymen Plumbers and Steamfitters is 201,000, an increase of 88,000 over 1942.

Hillock told 1,500 delegates to the union's 25th convention that the membership gain was made in face of withdrawal by 28,000 members and expulsion of 30,000 more for nonpayment of dues.

The net assets of the union increased $1,000,000 during the last convention at Cleveland in 1942, Hillock reported. He said there was $4,950,000 in the treasury as compared to $2,190,782 in 1942.

In a stirring plea to the Plumbers to be on the alert against infiltration of Red agents, President Charles J. Pedersen, of the Boilermakers, told the convention:

"They will gain a foothold in the A. F. of L. unless we are on guard day and night."

Thomas Fredericks declared that "agents of Russia" have already bored into some local A. F. of L. unions, "with all their deceptive doctrines of servitude that are worse than those under Hitler."

"They are trying to sell their ideas to the unthinking, spreading dissension where they can," he said. "Even in our own ranks it is hard to put a finger on them because they are so clever and subtle.

"Their efforts are sweeping Europe and South America just now. They are in control of factions of the CIO."

MacGowan's talk was brief and to the point, and when he closed he received an enthusiastic ovation.

YOUR TAXES AND MINE

This is the tenth of a series of 12 articles on tax problems affecting every person in the Nation, written for the AFL Weekly News Service by Arthur A. Ryder, tax consultant of the AFL's Tax Committee and a vice president of the American Federation of Teachers.

How High Should Our Taxes Be?

How much taxes should we pay?

Experts disagree on the size of the federal budget in the post-war period. Their estimates range from $16 billion to $30 billion a year. Certainly, taxes will be higher than before the war. Interest on the federal debt alone will be almost as much as the federal budget of pre-war years.

How hard will the taxes pinch us? Surprisingly, even though they will be higher, they need not be nearly as much of a burden as they were before the war!

The real question is, "How high will taxes be in relation to the total national income?" It's easy to see that when federal taxes were half what they are today, they were harder to bear because the national income was only one-third its present size.

The urge to make a wage tax bill, without an excess of pain, then, is to keep the national income high. Taxes should be high enough to pay for the necessary services of the government, without depressing the purchasing power of the people.

Here are some suggestions on tax policy that will help meet these standards:

—Remove federal wartime excise taxes (taxes on consumer goods)

—Raise income tax exemption or reduce rates drastically in lower income brackets

—Drop liquor and tobacco taxes as major providers of revenue

—Substantial increase in revenue from estate and gift taxes

It is believed by most tax economists that excise taxes and income taxes on the lower incomes cut down the consumption of essential goods, doing harm to the economy and to the people.

A good tax program is one that encourages consumption.

COTTON TEXTILE WORKERS HELD TO FIVE-CENT RAISE

Washington, D. C.—With its labor members dissenting on the ground that the full amount should have been approved, the Wage Stabilization Board sanctioned, for price purposes, 5 of an 8-cents-an-hour general wage increase recently put into effect in the cotton textile industry.

This 5-cent approval involves 44 New England mills employing 40,000 of the 90,000 textile workers in the northern branch of the industry, and 10 companies in the South employing 7,000 workers, and was approved in order to correct inequities between wages of cotton textile workers and the New England woolen industry workers.

INCOME TAXES DEMANDED ON BACK-PAY AWARDS

Washington, D. C.—The U. S. Treasury decided that employers must withhold income taxes from back pay awards made to employes under decisions handed down by the National Labor Relations Board and directed by the Treasury goes into immediate effect.

This decision reverses the practice in effect heretofore but is not retroactive. According to Commissioner D. Nunan, Jr., the policy change is the result of a Supreme Court decision regarding Social Security taxes in February 26, and evidently, Nunan says, applies also to income tax withholding.

AFL Chemical Union Expands 87.4%; Obtains Raises of 25 Millions In a Year

Houston, Tex.—The amazing growth of the International Chemical Workers Union (AFL) was set forth in detail in a report by the executive board to the annual convention of the union in session here, showing a membership increase of 87.4 percent in the last fiscal year.

Chartered just three years ago, the union now is spread over 26 States, the District of Columbia, three Canadian provinces and Newfoundland. As of July 31 of this year, membership numbers had been assigned to 85,500 members.

In its report to the convention, the executive board said:

"Our Canadian membership has more than doubled in the past year.

"There has been a steady increase in the number of union shop contracts negotiated since the last convention and, with very few exceptions, our subordinate local unions have been successful in obtaining advantages gained during the war period. The majority of the subordinate locals have received substantial wage increases and, in round figures, the total wage increases during the last fiscal year is $25,000,000."

The board sharply condemned "government by edict" as reflected in the situation which forced AFL seamen to strike in an effort to obtain the full benefits of the agreement they had negotiated peacefully with ship owners and which was denied them by the Wage Stabilization Board.

"A confused administration," the board declared, "lacking the knowledge of the problems at hand, is attempting to hold labor to a set wage formula with a maximum of 18½-cent per hour increase since V-J-Day. Inflation is with us and we must return to free collective bargaining.

"Your Executive Board condemns the wage stabilization program in the worst possible manner. The issue is on and will fight for free collective bargaining. We tender our support to the A.F.L. and the Trades and Labor Congress of Canada in their attempt to do away with the vicious policy of labor relations by government edict."

Commenting on the activities of the Labor Department and its failure to grasp labor's viewpoint on vital issues, the board said:

"We believe that some of the confusion and strife between labor and employers could be overcome and government labor policy could be aided materially if the post of Secretary of Labor was filled by an experienced person from the ranks of labor. We sincerely hope that when this post again is vacant it will be tendered to one well experienced and qualified."

Radio Directors' Guild Chartered As 107th Union In Federation Family

Washington, D. C.—A charter for an international union was issued by AFL President William Green to the Radio Directors' Guild, which becomes the 107th national or international union affiliated with the Federation.

The jurisdiction of the new union will cover those who direct radio, and television broadcasts.

Starting out with a nucleus membership of 1,000 organized into local unions in New York City, Chicago, Hollywood and Washington, the radio network origination points, it has a potential membership of 5,000.

George Zachary of New York City, temporary president of the union, announced plans to proceed at once with a campaign to organize radio directors in 600 local stations in the United States and Canada.

"The issuance of this charter," Mr. Green said, "completes the framework of the AFL organization of all those engaged in the radio broadcasting industry. It means 100 percent unionization around the microphone."

Mr. Green pointed out that the Radio Directors' Guild has received pledges of support from all other AFL unions in the radio field, including the American Federation of Radio Actors and the American Federation of Musicians.

The charter members of the Radio Directors' Guild, besides President Zachary, include Edward Byron, New York, vice-president; Burr Lee, Chicago, vice-president; Paul Franklin, Hollywood, vice-president; Earl McGill, New York, secretary; Lyle Barnhart, Chicago, treasurer; Thomas Fredericks-Seidl, Hollywood; Lawrence Beckerman, Washington; Theodore Corday, New York, and Newman H. Burnett, New York.

Mine Workers And Operators Re-Open Wage Negotiations

Washington, D. C.—John L. Lewis, president of the United Mine Workers (AFL), and soft coal operators met in discussions here for an agreement which would permit the Government to relinquish operation of the soft coal mines, now in Federal receivership, but there was no immediate indication of the reaction by either side.

In a frank statement following the initial meeting, Mr. Lewis told reporters:

"We still would like to know what the operators have to offer in lieu of the existing Government agreement. We're not even requesting continuation of Government control. As far as we're concerned, the Government is free to relinquish the mines."

Mr. Lewis informed all concerned that he had no new demands to make at the moment, and that the union was merely awaiting the proposals of the operators, which would be given study. The conference was called by Admiral Ben Morcell, coal mines administrator, who opened the negotiations with the declaration that there was general agreement in the bituminous industry that the mines solve their own problems. He expressed belief that both parties could stabilize conditions without Government intervention.

Admiral Morsell placed before the negotiators a set of proposals which he said he regarded as a basis for discussion of a new agreement. He urged both groups to study this plan, which included a definition of supervisory employes, one of the most critical points in this dispute. He suggested that it simply mean those as of April 1, 1948, with the proviso that the question of wages and hours could be raised by either side on 30 days notice.

Admiral Morsell suggested no change in the provision in the Government contract for the 5-cents-a-ton levy against the mine owners for the union's welfare fund. The operators are not happy about this requirement, but it was believed they would accept it if the supervisory employe question could be settled to their satisfaction.

No change was suggested in the wage increase of $1.85 a day in the Government contract, but Admiral Morsell said that in the case of tonnage workers the increase might be applied at a tonnage rate. This would enable the more efficient and diligent miners to earn more than the others who do not come up to their standard of coal loading. It was reported Mr. Lewis approves of this change.

TRUMAN DOESN'T PLAN TO SUMMON CONGRESS FOR NEW LABOR CURBS

Washington, D. C.—President Truman indicated to a news conference that he has no intention of calling Congress into session to request that his powers in curbing strikes or wage increase problems.

A reporter wanted to ask the President if he had such a move in mind, but without waiting for recognition of the question Mr. Truman said that he already had taken steps as he regarded necessary to guard against inflation.

At the same time the President cited the proposals in support of some of the seamen's strike drafted by Stabilization Director John R. Steelman, which would have resulted in such a departure from the administration's general wage policy as to call for a recess, that the situation would have to be worked out and that he felt Stabilization Director eventually would be able to do this.

SHOE SALESMEN WIN

San Francisco, Calif.—After a year and a half of negotiations, the Shoe Salesmen's Union (AFL) here has been awarded a shorter work week and higher wages for employes in 20 shoe stores.

DELEGATES ARE URGED TO WIRE FOR ROOMS

Delegates to the National Convention of the American Federation of Labor, opening at the Morrison Hotel in Chicago October 7, are urged to send in their applications for hotel reservations at once, to obtain confirmations.

Individuals are that accommodations will be at a premium, and they are being made on a "first-come, first-served" basis. Late applicants will necessarily be quartered in other hotels. Every effort is being made to provide maximum facilities for the convention delegates at the Morrison.

Applications for reservations should be addressed to Harry C. O'Reilly, Secretary of the AFL Convention Committee, Chicago Federation of Labor, 666 Lake Shore Drive, Chicago.

MISS PERKINS APPOINTED

Washington, D. C.—Former Secretary of Labor Frances Perkins was appointed by President Truman to the U. S. Civil Service Commission. She will be the only woman in the six-member group who will report directly to the President.

Government Ends Ship Strike By Granting Full Wage Raise

New York Truck Strike Eased As Negotiations Are Resumed

New York City.—Negotiations for settlement of the trucking strike were resumed here after President Daniel J. Tobin of the International Brotherhood of Teamsters intervened in the local situation when it threatened to get out of hand.

Mr. Tobin, displaying statesmanlike leadership, called Mayor O'Dwyer to account for placing all the onus on a local union instead of persuading the employers to accept the proposition you have made for a settlement."

At the same time Mr. Tobin sent telegrams to other teamsters' locals in the New York Metropolitan area ordering them to go back to work and live up to their contracts. These locals had no connection with the basic dispute but had quit work in sympathy with the strikers.

Immediate compliance with Mr. Tobin's orders started trucks rolling again, bringing in much-needed food supplies to the city whose store shelves had been almost emptied by a panicky buying rush.

Vice President Cashal and David Ruslan, economist for the Teamsters, pleaded with striking members of Local 807 at a meeting to reopen negotiations and their constructive advice finally was heeded. The negotiations broadened to include two other striking locals.

Danger of a shutdown of all construction in the city was averted when the teamsters' locals in the building trades field resumed hauling building supplies in accordance with their contract, as Mr. Tobin instructed.

It is felt that, with the entire situation eased, a new agreement probably will be negotiated with management on terms acceptable to the local unions directly involved in the strike.

Truckers' Grievances Cited

New York City.—The case of the striking New York City truck drivers was presented clearly by a reporter who visited the group for an account of their grievances and the situation which they have been facing in recent years.

If the cost of living went back to 1940, he said they told him, they wouldn't be striking, but they complained bitterly that the public at large had no understanding of the difficulties they've been up against in trying to raise families in the face of the steadily rising cost of living.

When they report for work, as an example, they are told that the only there would be a day's work from the boss though, so whatever they would have to piece on further. To get their jobs, they said, they were required to accept illegal overloads, 20 and more tons on a truck rated at 5 tons.

"Everything overloaded except the pay check," they said.

A random check of teamsters showed those questioned had worked the following hours in the week before the strike started September 1: 40, 48, 16, 16, 24, 20, 24, 16, 16, 16, 32, average 24 plus. A 2-ton truck driver's daily rate is $9.54 an 8-hour day with time and a half for overtime.

The drivers contended they had to take out overloaded trucks or lose a chance to the next man on the garage's seniority list.

The truckers asserted the Police Department should get after employers for illegal overloads; instead, they complained, it was the drivers who got tickets for "retarding traffic."

The union members said their only gripe raises in recent years were $2.50 for a 44-hour week, obtained in the September 1, 1944, contract, and $2 in the 1942 agreement. Besides pay demands, their proposals ask 8 hour's work a day, Monday to Friday, starting time of arrival at stable or garage until leaving, with overtime rates and Saturday at 8 hours on Saturday. Seniority would prevail in hiring, with any employe averaging 10 days' work in a month period entitled to a listing. On overloading, no driver would be required to carry the excess weight, and he would be provided with a helper.

Statement on Seamen's Pay

Following is the text of the statement issued by the Office of Economic Stabilization in the seamen's wage case:

Stabilization Director John R. Steelman issued an amendment to the wage stabilization regulations permitting the Government agencies to pay wages and salaries comparable to the wages and salaries paid for the same or comparable services by other operators in the same industry.

It has been the Government's policy to pay Federal employes the Government jobs since Congress so directed the Navy in 1862. This principle has been implemented by various other congressional and executive actions, such as the Bacon-Davis and Walsh-Healy Acts.

The Steelman amendment would authorize Federal governmental agencies engaged in activity in which private business also is engaged, to pay to their own operations the same wage rates as those paid by a substantial portion of that industry.

Under present wage regulations if private industry desires to use a wage rate above the "little steel" formula, such increases must be submitted to the Wage Stabilization Board. This is a cumbersome process. The amendment merely means that if the industry agrees to pay such increases in the conditions which do not require Wage Stabilization Board approval, then the Government agencies involved may put the same rates without recourse to the Wage Stabilization Board or other stabilization agency.

The action was taken by Mr. Steelman with the concurrence of Fred M. Vinson, chairman of the Maritime Commission.

Text of the amendment follows:

TITLE 32—NATIONAL DEFENSE

Chapter XVIII—Office of Economic Stabilization.

Office of War Mobilization and Reconversion.

Part 4001—Stabilization of wages prices supplementary wage and salary regulations (Q).

Supplementary wage and salary regulations are amended by adding section 305 to read as follows:

Section 305.—Wage or salary increases in Government operations. (a) In accordance with long-established governmental policy, the Government agency responsible for operating activities for the United States may pay (or authorize the payment of) wages and salaries in such operations, comparable to the wages and salaries paid, for the same or comparable services, by other operations in the same industry. However, this applies only if both the following conditions are satisfied:

1. Such Government operations constitute less than half the total operations of the industry as determined by either the total number of persons employed or the total dollar volume of business done; and

2. A substantial part of the remaining operations in the industry (as so determined) are paying the comparable wages or salaries.

(b) For the purpose of this section, "operations conducted by or for the United States" do not include operations in plants, mines of the United States under section 3 of the war labor disputes act or similar laws.

(c) Any wage or salary increase made under the provisions of this section may be used as a basis for reimbursement by the United States, but shall be deemed an unapproved increase for the purposes of these regulations; provided, however, that all other provisions of these regulations (except section 103) are superseded insofar as they are inconsistent with the making of a wage or salary increase (or reimbursement therefor) otherwise permitted by this section.

This amendment shall become effective September 12, 1946.

CONSTRUCTION IN AUGUST REPORTED 6% OVER JULY

Washington, D. C.—The Commerce Department announced new construction in August totaled $1,039,000,000, which amounts to set up a new high for the year and is 6 percent higher than July. About 80 percent of this August total was accounted for by privately financed construction of various types.

MORE FARM EQUIPMENT

Washington, D. C.—The Commerce Department estimated farm machinery and equipment production for 1946 and 1945 at $6,220,884 in 1944 and $757,878,500 for 1945. Sales in 1945 totaled $750,546,962, of which $261,466,419 were domestic and $489,342 were export sales. More than one-third of both production and sales during 1945 consisted of farm tractors.

CRUICKSHANK WILL ASSIST IN NEW MEDICAL PROJECT

Washington, D. C.—Nelson Cruickshank, AFL social security director has been named a member of the committee which will set up a new labor health organization, with headquarters here. It will be known as the Labor Project for Medical Care and will serve both labor and management in promoting group practice and maintaining prepayment medical care plans throughout the Nation.

DECORATORS GET RAISE

Washington, D. C.—Approval has been announced by the Wage Stabilization Board of a wage increase of 16 cents an hour for painters and decorators in the construction industry in the New York City area.

New Plan of Steelman Requires U. S. to Meet Private Owners' Scale

Washington, D. C.—The Government granted the full wage demands of the Seafarers International Union in a strike settlement announced by Stabilization Director John Steelman with President Truman's approval.

The settlement was accepted immediately by Harry Lundeberg, president of the Seafarers, who predicted the union's members would ratify it. Ship operators on the West Coast previously had acceded to the terms.

AFL President William Green called the settlement a flat repudiation of the Wage Stabilization Board, which he accused of forcing the walkout by its "stupid stubbornness." He publicly called upon the industry and public members of the board to resign.

The Steelman plan accords to the AFL union's members the full wage increase which the union negotiated with management two months ago. It requires the ship operators to absorb that portion of the wage increase —$5 a month on the West Coast and $10 a month on the East Coast— which the Wage Stabilization Board refused to approve. The ship operators will not be permitted to pass on the cost of these extra amounts in the form of higher rates.

The agreement, which still operates a large number of ships through the Maritime Commission, successor to the War Shipping Administration, must pay the full wage increase also, Steelman ruled. He based his decision on Federal laws requiring Government agencies to pay the prevailing rate of wages.

Commenting on the Steelman plan, President Green told newsmen:

"The plan announced by Stabilization Director Steelman for settlement of the shipping strike presents a workable solution of the dispute with full justice to the workers.

"It is tragic that the Wage Stabilization Board could not arrive at such a solution 10 days ago instead of forcing a walkout by its own stupid stubbornness.

"The Wage Stabilization Board now stands repudiated and disgraced. Its public and industry members have forfeited the confidence of the public and labor and should resign at once."

Both President Truman and Dr. Steelman emphasized that the approval of the seamen's pay boost does not fix the Government's basic wage stabilization policy. The regular wage-price formula still holds, Dr. Steelman told reporters.

The Steelman order directed that the agency in charge of operations by or for the Government might also authorize to be paid, wages comparable to those paid by others in the industry. But only if the Government operations were less than half of the industry and a substantial part of the rest of the industry paid comparable wages.

2 MAYORS PROCLAIM 'UNION LABOR WEEK' FOR ST. LOUIS SHOW

St. Louis, Mo.—Proclamations setting the week of October 29 to November 3 as "Union Label Week" were issued by Mayor A. P. Kaufmann of St. Louis and Mayor John T. Connors of East St. Louis, in recognition of Union Labor's big show which will be presented at that time.

Mayor Kaufmann, in his proclamation, made public by I. M. Ornburn, director of the show and secretary of the AFL Union Label Trades Department, said in part:

"The Union Label has come to mean in the United States that the products on which it is borne are made in a factory or shop where adult workers labor under fair working conditions.

"The label is emblematic of the crusade which took children out of factories and shops and returned them to schools, where they may be educated with the highest principles of Americanism.

"Under the working conditions for which the Label stands their nation unsurpriged the world in production, both for peacetime and war use, and that standard of living is by far the highest standard of living the world has ever known."

Mayor Connors said:

"A very large part of our city is dependent upon union labor for its existence. The emblems of union labor are union labels, shop cards and working buttons, the purchase and patronage of which tend to improve the living and working standards, not only of union members, but of all others who toil."

CZECHS ON PIECEWORK

Budapest, Hungary.—Some 85 percent of Czechoslovakian workers are about to be placed on a piecework basis, and the system already is in effect in 50 percent of Czech industries. The piecework system is aimed at higher production, officials said.